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October 5, 2006

Jared J. Pace,
Robinson, Seiler, & Glazier L.C.
Attorneys for Far West Bank
80 North 100 East
Provo, UT 84606

Re: Letter of Credit for B&H Stone Supply

Dear Mr. Pace

This letter is sent to confirm our agreement on behalf of the Division of Oil Gas and Mining and Far West Bank regarding the irrevocable letter of credit, number _____ in favor of the Division, in the amount of \$36,000.00 for mine permit M-039-013.

First, let me thank you for your cooperation and the Bank's willingness to work with the Division to ensure that the reclamation of the mine site is completed. Our arrangement should provide the opportunity and incentive for Mr. Haas to complete the work and avoid unnecessary conflict and expense on behalf of our clients.

By way of recounting the purpose of this agreement, I wish to briefly recap the history of the arrangement. Bryce Haas, d/b/a B&H Stone Supply has operated the B&C Limestone Mine, M-039-013 ("Mine Site") and is responsible for the reclamation of that Mine Site. The letter of credit was provided by Far West Bank as surety and guarantee for the reclamation obligation as required by the statutes and regulations of the State of Utah. Far West Bank gave notice to the Division that the LOC would not be renewed, and DOGM made demand on Bryce Haas for a replacement surety. When no replacement surety was provided, DOGM properly and timely presented to Far West its draw on the LOC. Although Far West originally protested its liability to the Division on the LOC, Far West has through its counsel agreed that the Division has a valid right to draw the face amount of the LOC of \$36,000.00. Bryce Haas acknowledges that he is liable for the reclamation of the site, has begun reclamation work, and has advised the DOGM that he will complete

reclamation as required by the terms of a cessation order that was served upon him by the Division.

The Division has agreed to allow Bryce Haas until November 15, 2006 to complete the reclamation work including reseeding. Far West agrees that the LOC is reaffirmed and shall remain in place in the amount of \$36,000.00 and that DOGM shall have the right to draw upon it as before, provided that DOGM shall withhold from making any draws on the LOC until completion of an inspection of the site and a re-determination of the costs of completing the reclamation work and the amount needed to secure the success of the re-vegetation, which shall occur no later than November 30, 2006. In the event that it is agreed that the reclamation work including earth work, removal of buildings, and seeding, have been satisfactorily completed, the amount of the LOC shall be reduced to an amount sufficient to secure and guarantee success of re-vegetation as required by the Division's regulations and the Division shall continue to withhold making any demand on the LOC subject to a determination by DOGM that the site has been successfully re-vegetated.

In the event of a failure by Bryce Haas to complete all of the requirements of the reclamation obligation for the site, DOGM shall provide notice to Bryce Haas and Far West of the failure, and in the event the failure is not cured within 15 days, DOGM may immediately proceed to draw upon the LOC and Far West shall immediately pay the amount of the draw up to the face amount of the LOC which shall be determined as the amount necessary to complete the reclamation of the Mine Site.

I realize this letter is quite detailed and you may have some modifications that you believe are necessary to clarify our understanding. Please advise me by separate letter in reply or confirm your agreement on behalf of Far West Bank by signing and returning a copy of this letter to me.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven F. Alder", with a stylized flourish at the end.

Steven F. Alder
Assistant Attorney General
Utah Division of Oil, Gas & Mining

Agreed and Accepted by

Attorney for Far West Bank